

104TH CONGRESS
1ST SESSION

H. R. 1603

To amend the Internal Revenue Code of 1986 to correct mistakes which inadvertently included certain ferries operating between Portland, Maine, and Nova Scotia under the excise tax on the transportation of passengers by water as opposed to the actual intent which was to tax voyages the primary purpose of which is gambling.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 1995

Mr. LONGLEY introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to correct mistakes which inadvertently included certain ferries operating between Portland, Maine, and Nova Scotia under the excise tax on the transportation of passengers by water as opposed to the actual intent which was to tax voyages the primary purpose of which is gambling.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXEMPTION FOR TRANSPORTATION ON CER-**
4 **TAIN FERRIES.**

5 (a) GENERAL RULE.—Subparagraph (B) of section
6 4472(1) of the Internal Revenue Code of 1986 (relating

1 to exception for certain voyages on passenger vessels) is
2 amended to read as follows:

3 “(B) EXCEPTION FOR CERTAIN VOY-
4 AGES.—The term ‘covered voyage’ shall not in-
5 clude—

6 “(i) a voyage of a passenger vessel of
7 less than 12 hours between 2 ports in the
8 United States, and

9 “(ii) a voyage of less than 12 hours
10 on a ferry between a port in the United
11 States and a port outside the United
12 States.

13 For purposes of the preceding sentence, the
14 term ‘ferry’ means any vessel if normally no
15 more than 50 percent of the passengers on any
16 voyage of such vessel return to the port where
17 such voyage began on the 1st return of such
18 vessel to such port.”

19 (b) EFFECTIVE DATE.—The amendment made by
20 subsection (a) shall apply to voyages beginning after De-
21 cember 31, 1989; except that—

22 (1) no refund of any tax paid before the date
23 of the enactment of this Act shall be made by reason
24 of such amendment, and

1 (2) any tax collected from the passenger before
2 the date of the enactment of this Act shall be remit-
3 ted to the United States.

